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Chief Clerk of the House

FILED MAR 06 2007

By:



H.B. No. 2598

A BILL TO BE ENTITLED

AN ACT

relating to the creation and funding of the Texas Rural Job
Development Fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 481.078, Government Code, is amended by
adding Subsection (k) to read as follows:

(k) The fund may be used to make one or more grants to the
Office of Rural Community Affairs to implement the office's powers
and duties relating to rural job development. Subsections (e-1),
(f), (g), (h), (i), and (j) do not apply to a grant under this
subsection.

SECTION 2. Chapter 487, Government Code, is amended by
adding Subchapter P to read as follows:

SUBCHAPTER P. TEXAS RURAL JOB DEVELOPMENT FUND

Sec. 487.701. PURPOSE. The purpose of this subchapter is
to:

(1) promote rural employment opportunities, including
economic development projects that will stimulate job creation or
assist in job retention;

(2) foster regional collaboration for the development
of rural employment opportunities;

(3) enhance leadership capacity and civic
participation in rural Texas in an inclusive manner;

(4) facilitate wealth creation and retention in rural

1 communities to decrease long-term dependency on state and federal
2 resources;

3 (5) assist in the development of a highly skilled and
4 productive workforce in rural communities;

5 (6) assist the workers in rural areas of this state in
6 obtaining education, skills training, and labor market information
7 to enhance their employability, earnings, and standard of living;
8 and

9 (7) assist rural communities in this state by
10 providing economic incentive programs for job creation,
11 attraction, and expansion.

12 Sec. 487.702. DEFINITIONS. In this subchapter:

13 (1) "Development fund" means the Texas Rural Job
14 Development Fund.

15 (2) "Rural community" means a rural area as defined by
16 the office.

17 Sec. 487.703. TEXAS RURAL JOB DEVELOPMENT FUND. (a) The
18 Texas Rural Job Development Fund is an account in the general
19 revenue fund. The account is composed of:

20 (1) legislative appropriations;

21 (2) money received from the Texas Enterprise Fund
22 under Section 481.078;

23 (3) gifts, grants, donations, and matching funds
24 received under Subsection (b); and

25 (4) other money required by law to be deposited in the
26 account.

27 (b) The office may solicit and accept gifts, donations, and

1 grants of money from the federal government, local governments,
2 private corporations, or other persons to be used for the purposes
3 of this subchapter.

4 (c) Income from money in the account shall be credited to
5 the account.

6 (d) Money in the development fund may be used only for the
7 purposes of this subchapter.

8 Sec. 487.704. INCENTIVES. The office shall offer
9 incentives in the form of grants and loans to entrepreneurs and
10 businesses creating or retaining jobs in a rural community.

11 SECTION 3. The executive committee of the Office of Rural
12 Community Affairs shall adopt rules for the program under
13 Subchapter P, Chapter 487, Government Code, as added by this Act,
14 not later than March 1, 2008.

15 SECTION 4. Implementation of the program under Subchapter
16 P, Chapter 487, Government Code, as added by this Act, is contingent
17 on appropriation of funding by the legislature.

18 SECTION 5. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2007.

HOUSE COMMITTEE REPORT

1st Printing

07 APR 28 PM 3:38

HOUSE OF REPRESENTATIVES

By: Homer, Frost, Hopson, Chisum

H.B. No. 2598

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relating to the creation and funding of the Texas Rural Job Development Fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 481.078, Government Code, is amended by adding Subsection (k) to read as follows:

(k) The fund may be used to make one or more grants to the Office of Rural Community Affairs to implement the office's powers and duties relating to rural job development. Subsections (e-1), (f), (g), (h), (i), and (j) do not apply to a grant under this subsection.

SECTION 2. Chapter 487, Government Code, is amended by adding Subchapter P to read as follows:

SUBCHAPTER P. TEXAS RURAL JOB DEVELOPMENT FUND

Sec. 487.701. PURPOSE. The purpose of this subchapter is to:

(1) promote rural employment opportunities, including economic development projects that will stimulate job creation or assist in job retention;

(2) foster regional collaboration for the development of rural employment opportunities;

(3) enhance leadership capacity and civic participation in rural Texas in an inclusive manner;

(4) facilitate wealth creation and retention in rural

1 communities to decrease long-term dependency on state and federal
2 resources;

3 (5) assist in the development of a highly skilled and
4 productive workforce in rural communities;

5 (6) assist the workers in rural areas of this state in
6 obtaining education, skills training, and labor market information
7 to enhance their employability, earnings, and standard of living;
8 and

9 (7) assist rural communities in this state by
10 providing economic incentive programs for job creation,
11 attraction, and expansion.

12 Sec. 487.702. DEFINITIONS. In this subchapter:

13 (1) "Development fund" means the Texas Rural Job
14 Development Fund.

15 (2) "Rural community" means a rural area as defined by
16 the office.

17 Sec. 487.703. TEXAS RURAL JOB DEVELOPMENT FUND. (a) The
18 Texas Rural Job Development Fund is an account in the general
19 revenue fund. The account is composed of:

20 (1) legislative appropriations;

21 (2) money received from the Texas Enterprise Fund
22 under Section 481.078;

23 (3) gifts, grants, donations, and matching funds
24 received under Subsection (b); and

25 (4) other money required by law to be deposited in the
26 account.

27 (b) The office may solicit and accept gifts, donations, and

1 grants of money from the federal government, local governments,
2 private corporations, or other persons to be used for the purposes
3 of this subchapter.

4 (c) Income from money in the account shall be credited to
5 the account.

6 (d) Money in the development fund may be used only for the
7 purposes of this subchapter.

8 Sec. 487.704. INCENTIVES. The office shall offer
9 incentives in the form of grants and loans to entrepreneurs and
10 businesses creating or retaining jobs in a rural community.

11 SECTION 3. The executive committee of the Office of Rural
12 Community Affairs shall adopt rules for the program under
13 Subchapter P, Chapter 487, Government Code, as added by this Act,
14 not later than March 1, 2008.

15 SECTION 4. Implementation of the program under Subchapter
16 P, Chapter 487, Government Code, as added by this Act, is contingent
17 on appropriation of funding by the legislature.

18 SECTION 5. This Act takes effect immediately if it receives
19 a vote of two-thirds of all the members elected to each house, as
20 provided by Section 39, Article III, Texas Constitution. If this
21 Act does not receive the vote necessary for immediate effect, this
22 Act takes effect September 1, 2007.

COMMITTEE REPORT

The Honorable Tom Craddick
Speaker of the House of Representatives

4-25-07
(date)

Sir:

We, your **COMMITTEE ON AGRICULTURE AND LIVESTOCK**

to whom was referred HB 2598 have had the same under consideration and beg to report back with the recommendation that it

- ☒ do pass, without amendment.
☐ do pass, with amendment(s).
☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

- ☒ yes ☐ no A fiscal note was requested.
☐ yes ☒ no A criminal justice policy impact statement was requested.
☐ yes ☒ no An equalized educational funding impact statement was requested.
☐ yes ☒ no An actuarial analysis was requested.
☐ yes ☒ no A water development policy impact statement was requested.
☐ yes ☒ no A tax equity note was requested.

☒ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor _____

Joint Sponsors: _____

Co-Sponsors: _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Miller, Chair	X			
Anderson, Vice-chair	X			
Brown, B., CBO	X			
Aycock	X			
Gallego				X
Garcia	X			
Heflin	X			

Total 6 aye
 0 nay
 0 present, not voting
 1 absent


CHAIR

BILL ANALYSIS

H.B. 2598
By: Homer
Agriculture & Livestock
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Across the United States, programs are being developed and introduced to provide economic development in rural areas. These programs vary, from Rural Opportunity Zones in Kansas, to the new rural economic development approaches embodied in Virginia Works, to the new concept of rural "outsourcing" taking shape in Washington. HB 2598 creates the Texas Rural Job Development Fund to assist in the economic development of the rural areas of Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Office of Rural Community Affairs in SECTION 3 of this bill.

ANALYSIS

HB 2598 amends the Government Code to authorize the use of Texas Enterprise Funds for grants to the Office of Rural Community Affairs, to implement the duties and powers of the office relating to rural job development and provides the subsections that do not apply to the grant.

This measure amends the Government Code, to establish the Texas Rural Job Development Fund under the Office of Rural Community Affairs. The purpose of this subchapter is to promote rural employment opportunities; foster regional collaboration; enhance leadership capacity and civic participation; facilitate wealth creation and retention; assist in the development of a highly skilled and productive workforce; assist workers with skills, education and training, and labor market information to enhance their employability earnings, standard of living; and to provide economic incentives for job creation, attraction and expansion.

Defines "development fund" as the Texas Rural Job Development Fund and "rural community" as a rural area defined by the Office of Rural Community Affairs.

Provides that the Texas Rural Job Development Fund is an account in the general fund composed of legislative appropriations, money received from the Texas Enterprise Fund, gifts, grants, donations, and matching funds under subsection B and any other monies required by law to be deposited in the account

Office of Rural Community Affairs may solicit and accept gifts, donations, and grants of money from the federal government, local governments, private corporations or other persons to be used for the purposes of this subchapter. States that income from money in the account must be credited to the account. Further provides that the development fund may be used only for the purposes enumerated in the subchapter.

Directs the executive committee of the Office of Rural Community Affairs to adopt rules for the program.

Provides that implementation of the program is contingent on appropriation of funding by the legislature.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

SUMMARY OF COMMITTEE ACTION

HB 2598

April 25, 2007 8:00 AM

Considered in public hearing

Testimony taken in committee (See attached witness list.)

Recommended to be sent to Local & Consent

Reported favorably without amendment(s)

WITNESS LIST

HB 2598
HOUSE COMMITTEE REPORT
Agriculture & Livestock Committee

April 25, 2007 - 8:00 AM

For: Turner, Bob (Self)

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 24, 2007

TO: Honorable Sid Miller, Chair, House Committee on Agriculture & Livestock

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2598 by Homer (Relating to the creation and funding of the Texas Rural Job Development Fund.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Government Code to create the Texas Rural Job Development Fund to promote rural employment opportunities.

This bill would allow the General Revenue Account 5107—Texas Enterprise to be used to make one or more grants to the Office of Rural Community Affairs (ORCA) to implement the office's powers and duties relating to rural job development. The bill would also promote rural employment and would create a new Texas Rural Job Development Fund as an account in the General Revenue Fund and would specify how it would be funded and how the fund could be used. The bill would establish that sources of funding for the newly created fund would include legislative appropriations, money received from the General Revenue Account 5107—Texas Enterprise Fund, and any gifts, grants, donations, and matching funds received by ORCA .

The bill would make implementation of the program contingent on appropriation of funding by the Legislature and would require ORCA to develop rules for the program no later than March 1, 2008.

The legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 304 Comptroller of Public Accounts, 357 Office of Rural Community Affairs

LBB Staff: JOB, WK, MW, AH

for chief clerk use only
Bill or Resolution Number:

HB 2598

JOINT AUTHOR AUTHORIZATION

As primary author of HB 2598 I hereby authorize the following joint author(s):
(bill or resolution #)

STEVEN FROST
printed name of joint author #1

Steve J. Frost
signature of joint author #1

MAR 15 2007

Chuck Hopson
printed name of joint author #2

CL Hopson
signature of joint author #2

MAR 15 2007

WARREN CHASE
printed name of joint author #3

Warren Chase
signature of joint author #3

MAR 20 2007

Jim KIEFFER
printed name of joint author #4

signature of joint author #4

Nakl Horner
signature of primary author

3/15/07
date

H.B.No. 2518

By 

A BILL TO BE ENTITLED
AN ACT

relating to the creation and funding of the Texas Rural Job Development Fund.

MAR 06 2007

Filed with the Chief Clerk

MAR 13 2007

Read first time and referred to Committee on Agriculture and Livestock

APR 25 2007

Reported favorably (~~amended~~)
(~~consent substitute~~)

APR 30 2007

Sent to Committee on (~~Commerce~~)
(Local & Consent Calendars)

Read second time (comm. subst.) (amended); passed to third reading (failed) by a (non-record vote)
(record vote of yeas, nays, present, not voting)

Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)
by a vote of yeas, nays, present, not voting

Read third time (amended); finally passed (failed to pass) by a (non-record vote)
(record vote of yeas, nays, present, not voting)

Engrossed

Sent to Senate

CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

Received from the House

Read and referred to Committee on _____

Reported favorably _____

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

Ordered not printed

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)
(yeas, nays)

Read second time, _____, and passed to third reading by (unanimous consent)
(a viva voce vote)
(yeas, nays)

Senate and Constitutional 3 Day Rules suspended by a vote of yeas, nays

Read third time, _____, and passed by a (viva voce vote)
(yeas, nays)

Returned to the House

SECRETARY OF THE SENATE

OTHER SENATE ACTION:

_____ Returned from the Senate (as substituted)
(with amendments)

_____ House concurred in Senate amendments by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House refused to concur in Senate amendments and requested the appointment of a conference committee
by a (non-record vote) (record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House conferees appointed: _____, Chair; _____,
_____, _____, _____

_____ Senate granted House request. Senate conferees appointed: _____, Chair;
_____, _____, _____, _____

_____ Conference committee report adopted (rejected) by the House by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Conference committee report adopted (rejected) by the Senate by a (viva voce vote)
(record vote of _____ yeas, _____ nays)

07 APR 28 PM 3:38
HOUSE OF REPRESENTATIVES